

**REQUEST FOR PROPOSALS**

**GALLATIN COUNTY DETENTION CENTER**

**GALLATIN COUNTY, MONTANA  
BOARD OF COUNTY COMMISSIONERS**

Response Deadline: November 13, 2006

Submit Response to:

**Larry Watson**, Grants and Projects Administrator

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## INVITATION

Gallatin County, Montana invites qualified teams ("Respondents") to submit proposals to provide all required services necessary to design, construct, and finance a new fully operational 160 bed detention facility for Gallatin County.

Interested Respondents should be aware that the funding mechanism for the project has not been determined. Whichever method (private financing or General Obligation Bonds) is selected by the County commission will then require a vote to either authorize an increase in public safety mills to repay a loan or lease payment; or a vote to authorize the sale of General Obligation bonds for construction of the facility.

The Board of County Commissioners intend to utilize the information contained in the selected proposal to present a mail ballot to County voters in the spring of 2007. The outcome of this public vote will determine the ability of the Commissioners to move forward with the project at that time.

## PROJECT DESCRIPTION

The facility should be designed to house up to 160 inmates initially, expandable internally to 200 inmates. Housing will consist of a total of nine (9) sections utilizing direct supervision and modified direct supervision operational methods for custody levels ranging from low custody (dormitory) to high (single cells). Support services including administration, intake/booking, medical, food and laundry services, and staff support areas are required. The project may be located on the grounds of the existing Gallatin County Detention Center, Bozeman, Montana, or an alternate site that will be determined during the solicitation process. This document contains information describing potential green field sites that have been identified.

In **Appendix A**, a Pre-Architectural Program, dated August 2004, prepared by Liebert & Associates, Boulder, CO is included to define the basic spatial and operational framework and should be used as the basic guideline of design and cost proposals in response to this solicitation. In addition, **Appendix B** provides an example of an architectural response to this program by the Bozeman architectural firm Prugh and Lennon to demonstrate the type of response that is being sought in this solicitation. **Appendix C** includes the outline specifications of methods and materials that are expected in the responses.

## SITES

The existing Detention Center is located on an approximately 18 acre tract which includes the Courts, Law Enforcement Headquarters for the City of Bozeman and Gallatin County Sheriff's Office, and the 911-Call Center. Regardless of the final site selected for the new Detention Center, current plans call for the demolition of the existing Detention facility. Costs for demolition are not a part of this solicitation. Once demolished, the site for the new Detention Center will be approximately three acres.

The Gallatin County Commissioners requested a study of alternative sites (**Appendix D**) for a replacement Detention Center. Five sites were evaluated, including the existing Law and Justice Site (L&J). The study recommended a "green field" site that could accommodate a new 160-bed Detention Center, expandable to 200 internal beds, and possibly another 100 beds in the future through an addition to the facility. The site study also suggested selecting a location that could accommodate a future courthouse and law enforcement functions. However, the existing L&J site remains as one of the two sites to be included in the Design-Build-Finance responses because it is owned by the

County and would not required the acquisition of additional property as part of the cost of construction.

**Site 1.** Respondents are required to present a design proposal (see Submittal Package) for the existing L&J site. The specific location will be north and east of the Courthouse as shown in **Appendix E**. The existing Detention Center was purpose-built and will be demolished in full to accommodate a replacement facility. However, the existing Detention Center must remain operational during the construction of the replacement facility. Respondents may use the indicative design concept shown in **Appendix B** or can prepare a variant design as long as the Architectural Program (**Appendix A**) and the Outline Specifications (**Appendix C**) are followed.

**Site 2.** Respondents are also required to submit a design-build-finance proposal for a green field site. While the specific site cannot be named at this time, any of the sites in Appendix D can be used as examples for a green field response. All other requirements are to be followed for the green field site.

***Respondents' proposals for the L&J sites should assume responsibility for the design, construction, and financing of any and all utility extensions and upgrades to existing infrastructure.***

***Respondents' proposals for the Greenfield site should assume responsibility for the design, construction and financing of the on-site utility requirements. The respondent should assume that any off-site utility required for the Greenfield site will be provided to the site.***

## **ELIGIBILITY**

The Respondent must demonstrate the ability to design, construct, and finance all aspects of the project described. Response to this invitation is limited to teams that have, at minimum, a General Contractor and an Architect that are licensed in the State of Montana, and the capability of guaranteeing the capital debt through annual lease payments for at least 15 years. Respondents should present financing packages based upon 15, 20, and 30 years of lease payments.

## **SUBMITTAL PACKAGE**

The Proposal should consist of no more than 50, 8 1/2" X 11" pages printed on both sides in a font no smaller than 10 points. The proposal should include a cover page, description of the offer, relevant experience, and drawings produced at a scale to fit an 11" X 17" folded page. Drawings should include: a site plan, floor plan for all proposed levels, elevations of all orientations of the facility, cross sections, and typical wall sections. A perspective may be submitted but is not required.

In conjunction with the drawings that present a basic concept for the L&J and the Greenfield Sites (if different concepts are proposed), the Respondent is required to submit a narrative description of how the proposed concept design meets and/or exceeds the Architectural Program (Appendix A). If the Respondent chooses to offer a design that does not meet the requirements of the Architectural Program, the narrative submission should describe the extent and the reason for the variance.

In addition to an indicative design per the paragraph above for Sites 1 and 2, the Respondents are required to submit financial information as follows:

1. **Design and Construction Costs.** The design and construction cost will be identified for both sites. Construction costs should include all site improvements, utility extensions or upgrades, as outlined above, building construction, and major equipment which is attached to the building. All loose furniture associated with the dayrooms, offices, visitation area, kitchen, training/muster room, etc will be included in the construction costs. Computers, telephones, cutlery, and medical supplies are not a part of the construction estimate.
2. **Replacement Costs.** A proposed replacement cost for major equipment and construction items (boilers, security electronics, locking systems, roof, etc.) should be identified separately. The County will be responsible for the replacement of all loose equipment.
3. **Annual Lease Cost.** A fixed annual lease amount for all costs, including Items 1 and 2 above, as well as financing and development fees should be identified for both Sites 1 and 2.

The proposal for Sites 1 and 2 should be bound together in one document and not exceed the 50 page limit.

#### **SUBMITTAL PROCESS**

A mandatory pre-proposal conference will be held at 8:30 AM local time on September 22, 2006 to discuss the project at the Law and Justice Site. Proposals will be received until 2:00 PM MST on November 13, 2006. Interviews will be held during the week of November 27, 2006. The Evaluation Committee should complete their evaluations of the proposals and make a recommendation to the County Commission by December 5, 2006.

#### **FINANCING REQUIREMENTS**

The Respondent should understand there are two possible approaches that the County may use for funding of the project: private and public. The Respondent must submit on both options to be considered responsive to the conditions of the RFP.

1. **Option A** is based on the understanding the County will contract with a Design-Build-Finance Team to provide the design for facility, build the facility and finance the facility privately. The County would then Lease the facility for a set period of time.
2. **Option B** is based on the understanding the County will contract with a Design-Build Team to provide the design for facility and build the facility. The financing for the facility will be provided by the County with General Obligation Bonds. No Leasing would be involved under Option B.

A decision on which financing method will not be reached until the cost estimates for design, construction, and financing services are submitted through this RFP process and the County completes an analysis of the most appropriate method.

For both options, the Respondent is required to submit the complete cost of designing and constructing the Detention Center. All attached and most loose equipment (see Item #1 in previous section) should be included in the construction cost. The Respondent will be responsible for site development, parking, landscaping and hardscaping services associated with the Detention Center for either the L&J or the Greenfield Site. As noted, the Respondent will provide all site remediation (if necessary), access roads, and utility infrastructure

from existing utility lines to and within the existing L&J sites. The Respondent should assume the Greenfield site will have all necessary electrical, sewer, water, and road infrastructure available at the site boundary and that the Respondent will be responsible for any infrastructure development within the Greenfield site.

The Respondent is required to provide a replacement schedule and cost for all major building components (roof, doors, windows, etc) as well as major equipment items (boiler, chillers, locks, etc). The estimated replacement costs should be based upon the Respondent's proposed replacement schedule calculated in 2007 dollars. The County will be responsible for the replacement of the items noted in the replacement schedule, but the timing for replacement of major items is critical to the County's capital planning process.

For Option A, the Respondent's proposed monthly lease cost should be based upon the assumption that the County will maintain the Detention Center and replace all required items according to the Respondent's schedule and that the County would purchase the Detention Center at the conclusion of the lease period for one dollar (\$1.00). The Respondent is required to submit a monthly lease cost based upon 1) 180 months, 2) 240 months, and 3) 360 months.

See **Item 10, Specific Financing Information** in the next Section for additional information for completing the Option A submission requirements.

## **SUBMITTAL INSTRUCTIONS AND FORMAT**

Respondents should submit ten (10) copies of a Proposal as one single entity responsible for design, construction, and financing services. The following information for the items is required. An appropriate entry should be made for all blocks not marked "N/A."

### **Item 1 Team Members**

- Respondent's Name
- Point of Contact
- Organization Chart showing responsibilities of team members
- Backup Personnel for Key Team Members

### **Item 2 Location of Lead Respondent**

- Street Address
- Mailing Address (if different from Street Address)
- Phone Number
- Fax Number
- E-mail address of designated contact

### **Item 3 Years in Business by Key Team Members**

- Type of Organization for each Team Member
- Date Organized for each Team Member
- State of Incorporation for each Team Member
- Years Under Current Name for Each Team Member

**Item 4 Firm Size by Key Team Members**

- Number of Salaried Personnel
- Average Annual Design, Construction, or Financing Volume for Past 5 Years

**Item 5 Project Representative/Project Manager**

- Project Representative's Name
- Project Representative's Title Within Firm
- Project Representative's Resume

**Item 6 Licenses and Registrations - Numbers**

- List Types of Licenses and Registrations Held in State of Montana
- List License and Registration Numbers in State of Montana

**Item 7 Previous Claims/Lawsuits**

- List any judgments, claims, arbitration proceedings or suits pending against your Team member(s).
- List any claims, lawsuits, or requests for arbitration filed by any team members within the past five (5) years.

**Item 8 Correctional Experience**

- List all detention project experience since 2000 for each major team member.
- Provide location, owner's name, address and telephone number for each project listed.
- Provide date of completion for each project listed.

**Item 9 Design-Build-Finance Experience**

- List all design-build-finance project experience for the past 10 years for team and/or individual members. (Note: The experience with design-build-finance projects need not have been with the proposed team for the Gallatin County project.)
- Provide location, owner's name, address and telephone number for each project listed.
- Provide date of completion for each project listed.

**Item 10 Specific Financial Information (Applies to Financing Option A only.)**

- Each proposal must include a Financial Plan that sets out how the Project will be financed.
  - The Financial Plan should specify each source of finance, including but not limited to equity, commercial bank debt, subordinated debt, multilateral finance and bond finance.
  - Specific information relating to the composition of the Financial Plan shall include, but need not be limited to, the space program and outline specifications shown in the appendices, as well as the proposed leasing timeframes addressed earlier.

- In respect of each separate loan facility or debt instrument, proposals should provide the following information by way of term sheets, together with the anticipated timetable for negotiation and signing;
  - identity of lead arrangers and/or underwriting banks and the amount of their indicated commitment;
  - availability period, draw-down schedule, repayment schedule and final maturity date;
  - interest rates (whether fixed or floating), margin and any proposed hedging arrangements in respect of interest;
  - base case and default cover ratios;
  - arrangement and other fees;
  - conditions precedent to draw-down, representations and warranties, undertakings, events of default and principal financial and information covenants; and
  - required security and guarantees.
- Respondents should demonstrate evidence of the strength of the commitment of proposed funding providers. In the case of equity, this should be demonstrated by way of Board minutes (or equivalent), or, in the case of third-party equity, a letter from the proposed underwriter or stockbroker confirming the viability of the proposal.
  - In the case of debt funding, while the County does not require fully underwritten offers of finance at the date of proposal submission, Respondents should provide a letter of support from underwriters and/or arrangers:
    - indicating whether or not they have received approval from their credit committee or senior management;
    - confirming their acceptance of the conditions contained within the term sheets;
    - stating that the funders are willing in principle to fund the proposal and that they will provide a committed offer;
    - specifying the conditions needed for this offer to be effective;
    - identifying the level of due diligence already carried out by the funders and what additional due diligence is still required by them; and
    - confirming the terms of the Financial Plan.
  - Each proposal should also contain a letter addressed to the County from Respondent stating that the debt funding is achievable within the prescribed schedule and that the Financial Plan is sufficient to enable the Respondent to meet its obligations under the conditions as set forth in this Request for Proposals.

- Respondents are required to submit a financial model in support of the Proposal, and any described variation from the Proposal, showing a full range of financial projections throughout the period of the Contract.
- Each financial model shall be submitted in the form of hardcopy printouts to facilitate review of the financial models by the County and its advisers. Respondents should provide a concise summary of the assumptions on which their financial model is based.

**Item 11     Schedule**

- A proposed negotiation, design, and construction schedule must be included in the Proposal assuming a start date for negotiation within 30 days of a conclusion from the public vote in March 2007.

**Item 12     Bonding Capacity**

- Respondents must certify that the proposed Building Contractor is capable of bonding the Team's proposed construction cost.

**Item 13     Liability Insurance Limits**

- State limits normally carried.
- State maximum limits available.

**Item 14     Financial Statement**

- Provide audited or certified current balance sheet for the Respondent and major team members.

**ADDITIONAL INSTRUCTIONS**

1. Minimum qualifications for certain areas of expertise and the team members representing those areas are as follows:
  - a) Modular Cell Manufacturer (if applicable):
    - (1) In-house capacity to provide engineering and technical support for detention housing facilities of a minimum of 128 cells.
    - (2) Production capacity to produce, finish, furnish, and deliver completed modular units within a time frame that will allow project completion as stated in Item 11.